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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/711,124	11/10/2000	Murali Ramaswami	05250.00002	6436
22907	7590	10/07/2003	EXAMINER	
BANNER & WITCOFF 1001 G STREET N W SUITE 1100 WASHINGTON, DC 20001			BEACH, THOMAS A	
			ART UNIT	PAPER NUMBER
			3671	

DATE MAILED: 10/07/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

09/711,124

Applicant(s)

RAMASWAMI ET AL.

Examiner

Thomas A Beach

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☐ Responsive to communication(s) filed on \_\_\_\_.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1-47 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-47 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on \_\_\_\_ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

## Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

## Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s) 5.
- 4) ☐ Interview Summary (PTO-413) Paper No(s). \_\_\_\_.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_

## DETAILED ACTION

### *Drawings*

1. Figure 2 (any other figure that is drawn from previously published work) should be designated by a legend such as --Prior Art-- because only that which is old is illustrated. See MPEP § 608.02(g). A proposed drawing correction or corrected drawings are required in reply to the Office action to avoid abandonment of the application. The objection to the drawings will not be held in abeyance.

### *Claim Rejections - 35 USC § 103*

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 1-47 are rejected under 35 U.S.C. 103(a) as being unpatentable over in Ramaswami et al (Winners will be Winners, Losers will be Losers: A tale of Relative Momentum, January 13, 1999) view of O'Shaughnessy 6,484,151. Ramaswami show claims 1-6 and 13-18 are shown by a method of creating a portfolio including determining winners and losers from a group of stocks by applying a filter the passes low-volume winners and high-volume losers and storing the remaining winners and losers as the portfolio. Shows the group of stocks (traded on an exchange; claim 25 and 28) are from the NYSE, S&P 500, TOPIX, MSCI, MSCI World Basket (claims 2-7

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and 14-18). Ramaswami also shows claims 7-10 and 19-20, the method of trading a portfolio (traded on an exchange; claim 26 and 29) with low volume winners and high volume losers by holding the low-volume winners long and holding the low-volume winners for six months (claims 8 and 20) and rebalancing the portfolio at the end of six months (claims 9 and 21) or three months (claims 10 and 22).

Ramaswami shows claims 11-12 and 23-24, the method of trading a portfolio (traded on an exchange; claim 27 and 30) with low volume winners and high volume losers by holding the low-volume winners short and holding the low-volume winners for six months (claim 8) and rebalancing the portfolio at the end of three months (claim 10).

Ramaswami shows claims 31-33 and 13-18, the method of creating a portfolio including determining winners and losers from a group of stocks (traded on an exchange; claim 36) by applying a filter that passes low-volume winners and high-volume losers; storing the remaining winners and losers as the portfolio; and holding the high-volume losers short. Ramaswami holds a high-volume loser short and the portfolio only includes low-volume winners and high-volume losers (claim 37-40). Shows the winners and losers are determined with a momentum life cycle (claim 41) and the low volume winners and high-volume losers are determined with a volume/turnover filter (claim 42- 47).

Ramaswami fails to show using a computer or a processor to compile and analyze the stock data into an output or show the processor to output the command to create portfolio. However, O'Shaughnessy shows a similar computer processor utilized to compile stock data from an exchange in order to be processed into output that

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creates a portfolio using a computer/processor. Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify Ramaswami, as taught by O'Shaughnessy, to perform the known portfolio analysis techniques using a computer for real time updating and cost effective transaction, monitoring and execution.

### ***Conclusion***

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Thomas A Beach whose telephone number is 703.305.4848. The examiner can normally be reached on Monday-Thursday, 8:00am-6:30pm.

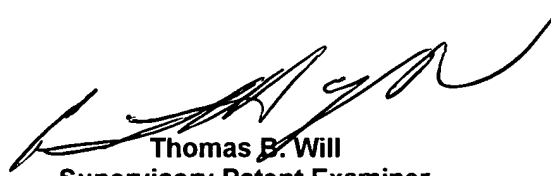
If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Thomas Will can be reached on 703.308.3870. The fax phone numbers for the organization where this application or proceeding is assigned are 703.872.9306 or 703.872.9306 for regular communications and 703.872.9306 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703.306.4198.

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Thomas A. Beach

October 1, 2003



Thomas B. Will  
Supervisory Patent Examiner  
Group 3600